

FINAL MINUTES
Waste-to-Energy Facility Monitoring Group
MEETING

Wednesday, November 13th, 2013
Covanta Alexandria/Arlington Waste-to-Energy Facility – Eisenhower Avenue
8:30 a.m. – 11:00 a.m.

The Facility Monitoring Group, staff, and HDR representatives present included Yon Lambert, Mark Schwartz, Erik Grabowsky, Alaeedin Mohamed, Barbara Wiley, Alton Weaver, Kyle Perrin and Susan Raila, with Don Castro joining via phone. Michael Renga, Bryan Donnelly and Jim Klecko attended the meeting from Covanta.

I. Comments on Agenda

There were no comments on the agenda.

II. Approval of Final Minutes from the June 12th, 2013 Facility Monitoring Group Meeting (see attached).

Grabowsky made a motion to approve the minutes; Schwartz seconded the motion, and the minutes were approved by the three members of the FMG in attendance at the meeting.

III. Requisitions for Payment

The requisitions for payment that were submitted for approval totaled \$81,344.59. They included two invoices from HDR Engineering, Inc.: one for the period from July 28th to October 16th, 2013, for \$16,184.71, and one for the period from October 17th to November 2, 2013, for \$5,109.79. Additionally, there were two invoices from ARCADIS, one for the period from July 27th to August 25th, 2013 for \$57,587.59 and one for the period from August 26th to October 5th, 2013 for \$2,462.50. Schwartz made a motion to approve the invoices, Grabowsky seconded, and the invoices were approved by the three members of the FMG in attendance.

IV. HDR Operations and Facility Status

Discussion of Quarterly Report and Facility Performance to Date

Castro noted that the first quarter of FY2014 was a bit unusual, with four separate forced outages, for a total of 118 hours, in addition to the one scheduled outage. Normally, there aren't four forced outages within one quarter. There were 172 hours of standby time, which resulted from 5 separate instances of taking a boiler off-line. Despite these events, he noted that the metrics for the quarter were similar to those seen last year. There were also three environmental excursions, two relating to tube leaks, and one was an opacity issue.

Castro discussed Chart 14 of the quarterly report, which shows the pounds of steam required to generate one kWhr of electricity, and indicated that he thought the numbers would be lower due to the recent turbine overhaul, at least lower than the numbers for the prior years. As stated in the report however, there was another issue related to the turbine performance which has since been resolved, and there should be an improvement moving forward, and even more so once the other turbine generator gets overhauled next year. The performance curves through October 2013 showed the same TG trend, but that was the month with the TG outage.

Grabowsky asked if the tons of ash generated were a bit higher than in the past, which was the case for the month of September, but overall, the tons of ash produced dropped from about 24% prior to the installation of the semi-dry ash system, to the 20-21% range. Donnelly mentioned that Covanta was looking at a new dry ash system, the "Moby Dick" system, since the existing system has created fouling in the boilers and dusting. The Moby Dick system is slightly wetter, so less fouling is anticipated. It was also noted that the amount of ferrous was down, and Donnelly indicated that Covanta needs to re-skin the shell of the magnet in order to increase performance.

Castro asked about the steam production curves, and asked if Covanta's operating philosophy may have changed. Donnelly indicated that this is tracked daily, and that they need to be sure that there is a buffer between the calculated production and the regulated limit. Donnelly indicated that this is an experimental process for Covanta, but they would definitely like to change the "pit full" estimate, and go by the actual amount of steam produced. Renga then stated that they would like to look at increasing the steam flow (in exchange for the LN system), to provide more breathing room between the calculated amount and the limit. This would mean that they could handle an additional 16,000 tons of waste per year.

Perrin then discussed the audit deficiencies in the quarterly report, and Donnelly noted

that there was a lot of asphalt work to be done under the 2014 budget. He also noted that there was a lot of maintenance undertaken on the turbine generator, and it was completely overhauled and inspected. There was an overall 24-day schedule for the TG outage, and it should be set back into operation in another 4 days. He noted that there was some cracking in the rim, which will cause a slight efficiency loss. The stage 9 blade had severe cracking, and a new set of blades will be ordered and replaced in 2016. Castro asked if the blades were removed, and Donnelly responded that yes, on stage 9, and it will be re-balanced. Castro asked if this will raise an issue with Turbine No. 1. Turbine No. 2 was always less efficient, and Turbine No. 1 was always more steadily loaded. Perrin then noted that a lot of work was being done, and there were no new deficiencies during his inspection on the prior day.

Schwartz noted that the amount of supplemental or Special Waste coming into the facility is “robust”. Renga indicated that the Covanta 4Recovery group has marketed this service, and they mostly take secure documents, and some non-manufacturing waste, pharmaceutical off-spec materials, make-up and lotions, and military uniforms, and even some clothes from J Crew. Acceptance of these materials does not affect the queue, and does not tie up the tipping floor. It was agreed that Covanta would provide a report at each quarterly meeting for the types of materials that they have brought in. Klecko noted that Covanta does test burns for these materials to ensure safe disposal. Someone asked if there were any differences in the ash, and Donnelly responded that they do monthly pH testing, and also the TCLP ash testing is within the proper range. Schwartz asked if Covanta had a target amount for handling Special Waste, and Renga responded that the facility is at 2/3 of what is budgeted, which is a financial goal. Klecko reiterated that all the Special Waste that they take needs to be pre-approved. Donnelly will do a test burn, and there is a four-tier approval process for this material. New elevators have been installed for handling confidential documents, which is an ideal material to handle. Covanta provides a certificate to the owner of the materials ensuring destruction of the documents. Renga agreed to provide a list of the types of materials accepted, and Perrin and Castro wanted to know what the mix is of the Special Wastes to the general MSW.

V. Covanta Items

A. Filter Bag Management

Renga had discussed this issue with Paul Gilman, Covanta’s chief sustainability officer. He indicated that the used filter bags are double-bagged, and then put into the pit to be handled with the rest of the waste, which is in keeping with the USEPA’s “four-walls” concept. Wheelabrator is

advocating that their way of disposing the bags as hazardous waste is the “Best Practices” means of disposal; so in essence, Wheelabrator and Covanta disagree on this issue. Covanta does not want the USEPA to make a decision on this waste that would affect the current practice, which Castro agreed was, in his opinion, the preferred solution to handling the used bags. All agreed that this is an industry issue and not just Covanta’s or Wheelabrator’s issue. Covanta indicated that they have received support from the Commonwealth of Pennsylvania of the acceptability of their current practice. Klecko will provide the information that has been provided to Pennsylvania.

B. Outage Update (full pit issues)

Donnelly indicated that the outages went well, and that the extremely full pit was only a temporary situation. Renga noted that two tipping bays were currently open, and for the rest of the year, all should be fine. He noted that there is a line priority for the Jurisdictions.

C. Community Issues from Public Meeting

Lambert mentioned some of the issues that the community brought up in the recent public meetings, and of note was a container switch-out issue, where the private haulers were switching out their containers adjacent to a residential community in Summers Grove. Renga said that he would continue to talk to the haulers about this issue, and will get the names of specific haulers who are doing this, from the sides of the trucks. He noted that this is a challenge for the haulers, and they are hit with fines for doing this in the wrong location. Renga indicated that there needs to be better communication with the haulers, and he will attend the Summers Grove quarterly meetings, with the next one scheduled for January. Renga also mentioned that Covanta does litter pick-up and daily sweeps in the area. Klecko asked if there was signage to discourage littering, and Lambert stated that there were signs in some areas.

D. Covanta Update

Klecko wanted to mention that Covanta was undergoing reorganization, and although their stock value dropped, they are still a strong company. He noted that there was a reduction in their EBITA (earnings before interest, taxes and amortization). Tony Orlando, CEO of Covanta had indicated that 2014 would be a challenging year, and the major reason for the company’s EBITA being affected is the maintenance required on their turbine generators. Covanta had put a lot of money into maintenance and refurbishment of their boilers, and now the focus will be on the

turbine generators, since they have a lot of 25-year old turbines. They have noted some stress cracking of turbines, and are trying to get ahead on their refurbishment. Additionally, he noted that they recently purchased the Camden WTE facility. Klecko indicated that the positive impacts of their efforts will show late in 2014 into 2015. So, 2014 will be a challenging year, but the company is stable. Covanta is reorganization its structure, and focusing on handling waste rather than the production of energy. He indicated that Michael Renga's focus will no longer be on the financial tracking of the facility, but on other issues. Jim Klecko will no longer handle the Alexandria region, and the waste manager for the mid-Atlantic region (Mike Welch) will now be Renga's boss. Glenn Madelmayer will still be involved with the facility, and Paul Stauder will now be reporting to Derek Veenhof, the Executive Vice President of Covanta Waste Solutions.

VI. Old Business

The grey water reuse issue is still being discussed with the Alexandria Sanitation Authority. Covanta will get more information on the costs for this potential project, and they are keeping this on the horizon for sustainability. There will be a meeting in December, when a cost benefit analysis will be discussed.

VII. New Business

A. Legislative Issues

There were no legislative issues to discuss.

B. Public Initiatives

Since the last FMG meeting, the following initiatives took place:

- In September there was an Eisenhower Partnership meeting
- On September 28th, the Leaf was used as part of a Seaport Foundation Day event
- October 2nd – tour for the Architect of the Capitol representatives
- October 10th – tour for a Boy Scout troop
- October 23rd - tour for Costco
- October 26 – Breast Cancer walk event
- November 15th – America Recycles Day
- November 11th – tour by a Johns Hopkins student doing his thesis on WTE

- November 13th - Eisenhower Partnership meeting
- December tour for a high school class

On a motion by Schwartz, seconded by Grabowsky, the meeting adjourned at 10:32 a.m.

The next Facility Monitoring Group Meeting is scheduled for Wednesday, February 12th 2014 at the Covanta Facility.